Ecosia's Submission, April 2024
ACCC General Search Services Issues Paper
[Non-confidential]

1. **Current nature of general search services and online search engine market globally**

   a. Since the ACCC's report in 2020, the general search services and online search engine market globally remains dominated by the same tech-giants as in 2020 on the base of default setting power, brand dominance, ingrained habits, and their ability to leverage their fully controlled advertising "marketplaces".
   b. Gatekeeper market share has not changed. Google still holds approx 95% of the mobile market while Bing owns approx 10% of the desktop market (Statcounter), which means there is an effective duopoly in the search market.
   c. Gatekeepers with entrenched dominance prevent smaller alternatives from accessing, retaining, and monetizing users users in the following, but not limited to ways:
      i. Self preferencing of their own services (OS/search/browser/ad platforms);
      ii. Dark patterns and warning messages to deter users who have already or would like to switch to alternatives and undermines competition; and
      iii. Default setting power and ecosystem lock-in.

2. **How the market dynamics have changed and how the changes impact competition and consumer issues or give rise to new concerns**

   a. There have been significant impacts on competition & consumers. From a competition perspective, Ecosia is the last remaining profitable European search engine. In this time, many search engines have gone out of business, Neeva is the most recent, and the risk to others remains.
   b. The lack of understanding about the syndication market continues to pose an existential threat to smaller search engines' ability to compete.
   c. Consumer choice, democracy and freedom of speech are all negatively impacted when users are presented with no/poor/non-credible alternatives to the dominant tech giants.
   d. The EU's DMA provides some opportunities for smaller alternatives but far from enough to counter years of entrenched dominance of gatekeepers.
   e. Despite the many positives in the DMA, the failures in the designation and implementation process highlight significant gaps which other regulators should urgently seek to learn from, pre-empt and address. In addition, specific provisions such as on Click & Query do not go far enough and is not a substitute for FRAND syndication. Finally, the choice screen improvements are a positive step forward but it remains too early to assess the long term impact on market share and we urgently need more transparent data from the gatekeepers to be able to assess this properly.
   f. The DMA highlights the power regulators have to bring tech-giants to the table. We encourage the improvements made by the EC to be built upon and rolled out internationally and hope the ACCC and other global regulators will be bold in doing so.